



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum #1 to the Reclamation Contract

McFarland and Hullinger, L.C., SIO2 1-6, M/045/046

January 18, 2006

Sidney K. Hullinger, Manager
McFarland and Hullinger
8960 North Highway 40
Lakepoint, Utah 84074

Due to a recent review of the submitted SIO2 1-6 mining and reclamation plan, the bond amount required for this site is \$74,100.00. Currently there is a \$100,000 corporate surety bond that is held jointly between the Division and the Bureau of Land Management. This dollar amount is 26% greater than the bond amount currently required in 2011 dollars so there is no bond increase requirement. In addition, due to a recent review of the information contained in the reclamation contract, further revisions are required as identified below.

This letter serves as an acknowledgment and approval of the following:

- **Operator: McFarland and Hullinger, L.C., 8960 North Highway 40, Lakepoint, Utah 84074;**
- **Operator's Registered Agent: Stephen G. Bunn, 66 West 520 South, Tooele, Utah 84074**
- **Operator's Officers: Sidney K. Hullinger, Manager; Fayette P. McFarland, Manager; James C. Groscost, Member; Stephen G. Bunn, Member;**
- **Escalation Year: 2011**

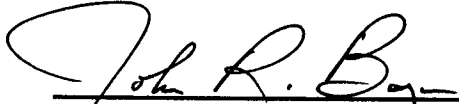
Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract.

To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.

Please acknowledge with your signature, make a copy for your records, and return this letter with original signature to the Division.


The below signed, acknowledge and accept these revisions and incorporate them into the October 26, 2000 Reclamation Contract.

ACCEPTED BY:



John R. Baza, Director
Division of Oil, Gas and Mining

1/20/2006
Date



Sidney K. Hullinger, Manager
McFarland and Hullinger, L.C.

1/26/2006
Date